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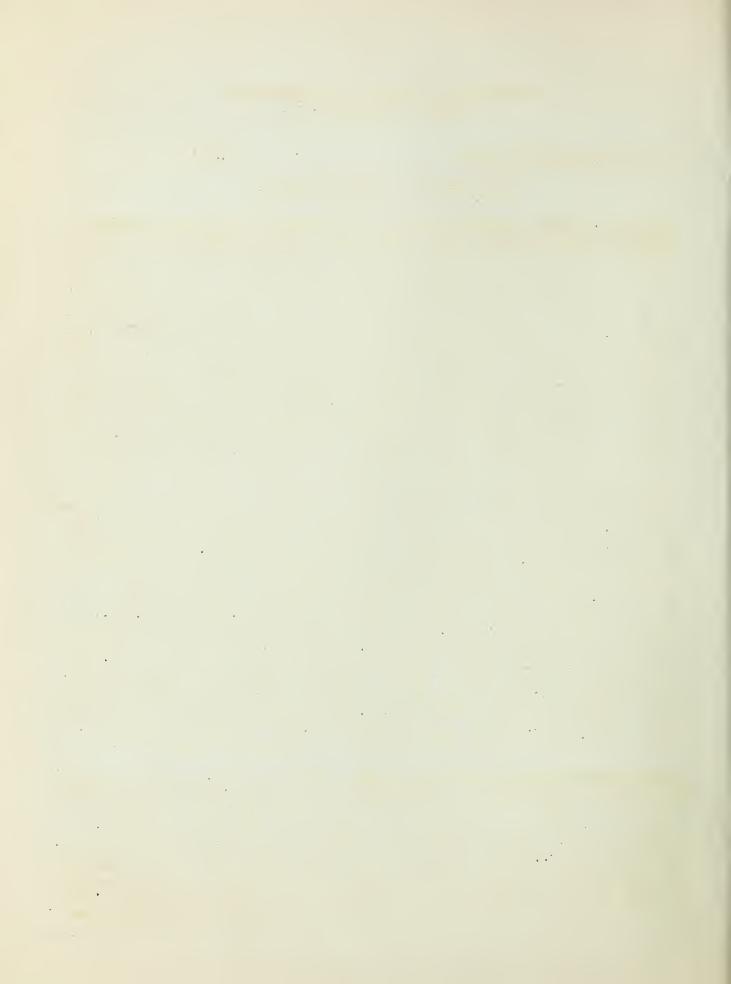
UNITED STATES DEPARTMENT OF AGRICULTURE
Office of Information

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AGRICULTURE AND NATIONAL DEFENSE

WILLIAM S. KNUDSEN, DIRECTOR GENERAL OF THE OFFICE OF PRODUCTION MANAGEMENT, THIS WEEK DESCRIBED AGRICULTURAL PRODUCTION AS "SFMI-MILITARY" and promised Secretary of Agriculture Claude R. Wickard the cooperation of OPM in helping agriculture meet its responsibilities under the defense program. He made this statement at a conference of OPM and Agriculture officials. As a result of the conference, OPM agreed to set up a special unit to handle agricultural needs, including questions of priority, and to give special attention to farm labor problems. Department officials, with Secretary Wickard serving as chief spokesman, pointed out that the needs of America's armed services, increased purchasing power in the consumer market, and greatly augmented requests for foodstuffs for export to Britain under the Lend-Lease program, made necessary increased production of many farm products. This increased production, they said, is hindered by existing and notential shortages of certain types of farm equipment and machinery, by the necessity to exeand processing caeacity in many lines, and by a farm labor shortage in some areas. Repair and maintenance parts for existing farm equipment, they added, are badly needed to maintain present farm production. M. Clifford Townsend, Director, Office of Agricultural Defense Relations, pointed out that while surpluses of such crops as wheat and cotton now exist, there is a very heavy demand for foodstuffs like pork, eggs and dairy products, and that special machinery is required for the production and processing of these. Shortages of farm labor, he said, tend to increase the need for mechanized equipment such as corn pickers, milking machines, etc. Attending the conference from the Office of Production Management were: William S. Knudson, Director General; Sidney Hillman, Associate Director General; Donald M. Nelson, Director of Purchases; E. R. Stettinius, Jr., Director of Priorities; W. L. Batt, Deputy Director, Division of Production; Herbert Emmerich, Secretary; Douglas C. MacKeachie, Deputy Director, Division of Purchases; Blackwell Smith, Deputy Director, Division of Priorities; from the Department of Agriculture: Claude R. Wickard, Secretary of Agriculture; M. Clifford Townsend, Director, Office of Agricultural Defense Relations; David Mceker, Assistant Director, OADR; L. L. Needler, Chief, Farm Equipment and Supplies Division, OADR; Dr. D. A. FitzGerald, Chief, Production Division, OADR; and Wayne Coy, Liaison Officer, Office for Emergency Management.

AGRICULTURAL GOALS FOR THIS YEAR AND NEXT: BAE'S Chief H. R. Tolley organizing departmental subcommittees to study production goals for some 70 agricultural commodities in light of our own increased needs plus probable needs under lend-lease. Question is how much of a stockpile should we have on hand. Committees will be divided into general groups, one on fiber studying cotton, flax, hemp, etc., another on food and livestock reporting on several commodities, and so on. Present plans call for setting up national goals, and then probably breaking down to a regional basis. Report due on or before September 1. Findings will be used in furthering needs mentioned in Agriculture-OPM conference.



PAPER PULP SITUATION GETTING TIGHTER. LACK OF JUTE doesn't help because some manufacturers who had been packaging in burlap already are turning to heavy paper bagging. As a result OADR is planning survey of situation on whole container problem rather than shortage of one or more raw materials used in packaging. In this way all materials will be put to best use.

MINNEAPOLIS DULUTH added to terminal elevator embargo list on grain. Follow Kansas City and St. Louis. No grain can be loaded for shipment to these points unless storage space has been arranged for in advance.

IN THE FACE OF MOUNTING SHORTAGES OF CRITICAL DEFENSE MATERIALS, the Department of Agriculture has called attention to a high-yield semi-chemical pulping process that permits the use of the "weed" hardwood species in newsprint paper and thus offers the possibility of lessening the shortage of pulp and paper due to the curtailment of supplies from Scandinavian sources. The process, recently developed by the Forest Products Laboratory of the Forest Service, is also applicable to low-cost container boards and, by a new technique, to an exceptionally high-yield and high-quality alpha cellulose which has possibilities of direct nitration into explosives. The Department points out that the reduction of imports of European pulp at a time when the demand is greater than ever before has emphasized the importance of broadening the utilization of domestic species. Normally, half of our paper consumption is imported in the form of either wood, pulp, or paper. Imports are being curtailed while paper consumption continues to increase from 13 million tons in 1938 to approximately 18 million tons for 1940.

FULL-FASHIONED COTTON HOSE that are sheer, stylish and well-fitting are ready as substitutes for silk or nylon in the event the raw silk supply is cut off and nylon is needed for parachutes and other military equipment. For 3 years, the Department of Agriculture's Bureau of Home Economics has been carrying on extensive research in full-fashioned cotton hose for women. As a result, it now has 150 designs ready for release to manufacturers, and 260 more in preparation. The designs range in variety and weight from cobweb mesh for dress wear to plain knits for every-day use. They call for combed, gassed and mercerized yarns spun of long-stable American cotton. Practically all can be woven on the same machines now manufacturing silk and synthetic hose. All these designs are being knitted in swatch form on the experimental hosiery machine at the Belts-ville Research Center for a hosiery dictionary to be displayed at the New York City headquarters of the Cotton Textile Institute and the Mercerizers' Association of America.

SUMMARY OF FOREIGN DEVELOPMENTS

UNITED KINGDOM: The Ministry of Economic Warfare advised that Russia has asked for the assistance of the British Government in making purchases of wool in Afghanistan and Iran. The quantities and qualities desired by the Russians are uncertain but in general Russia is interested mainly in the better qualities. The British wish to assist the Russians in obtaining wool. This would mean, in practice, abstaining from bidding against Russia for Afghan and Iranian wools. Until Russian requirements are known, it is impossible to indicate what effect purchases by that country may have upon the total amount of carpet wool available for the American trade. The Ministry feels, however, that the improvement of conditions in Syria and Iraq may lead to the acquisition of substantial quantities from that region for the United States.

INDIA: With reference to the Government of India freezing Japanese assets, the trade estimates that cotton bought by Japan, or by Bombay Japanese firms, now awaiting shipment amounts to 200,000 or 250,000 bales of this season's crop. The purchases of new crop cotton by those buyers for shipment November to January is estimated at 50,000 bales. No information is available as to whether all or any part of this may be shipped. The Exchange Controller has not clarified the freezing order but has announced that he will give rulings in individual cases as presented to him. Unlikely general principles can be formulated for at least a week.

EGYPT: A draft law introduced in the Egyptian Parliament would restrict the acreage to be planted to cotton in 1942. The proposed law provides that no person can grow cotton during the agricultural year, 1942-43, on more than one-third of the land in his possession in the northern part of lower Egypt, and on more than one-fifth of his land in other parts of Egypt. Official estimates of actual acreage reduction to be affected, if the bill is passed in its present form, are not yet available. According to exceptionally well informed private scurces, however, the pending law would have the effect of reducing the 1942 cotton acreage to 1,146,000 feddans (1,190,000 acres) as compared with 1,644,000 feddans (1,706,000 acres) planted in 1941. The estimated 1942 cotton crop on that reduced acreage is placed at 5,500,000 cantars (1,140,000 bales), assuming that fairly satisfactory supplies of fertilizers are made available. If the present fertilizer shortage is not overcome, the 1942 cotton may not exceed 5,000,000 cantars (1,036,000 bales) as compared with normal unrestricted crop of around 8,500,000 cantars (1,761,000 bales).

HUNGARY: Wheat is now being harvested in southern Hungary and on the plain between the Danube and the Tis rivers. The crop is still green or ripening in the north and east. Indications thus far are that the crop will be greater than was anticipated, and of good quality. German experts estimate the crop at from 77 to 81 million bushels though the official Hungarian estimates still cling to their former figure of about 68 million bushels. Normally more than 81 million bushels are needed for domestic purposes. Wheat sowings were 40 percent below normal according to grain circles.

Some new crop wheat has already been milled. The Government, however, is holding the flour until a decision has been reached with respect to new flour prices. With the object of placing wheat on the market as quickly as possible, a fixed price of 30 pengos per quintal (\$1.61 per bushel) has been set, a price which by November will decrease to 27 pengos (\$1.45 per bushel). In the meantime, the shortage of flour is becoming more acute and throughout the cities there are bread lines. The maximum sale to one person a day is about a half pound of bread into which little or no wheat flour enters.

Threshing of autumn barley is now taking place. The crop is estimated as medium in quality and quantity. In some areas the harvesting of spring tarley has begun but in others it is still ripening. A medium quantity crop is expected. The harvesting of rye has been completed in some areas and in others is in progress, with an estimate of a medium crop. Some improvement in the oats crop has been caused by the recent favorable weather, which has also been favorable to corn, though the latter crop is expected to be poor because of late plantings.



JAPAN: The raw cotton supply situation has been further aggravated during the past month by action of the Government in confining to Far Eastern waters all Japanese ships which otherwise would have been used to bring cotton from Brazil and Gulf ports. One important source indicated that the total amount of all kinds of raw cotton available or contracted for, including cotton in warehouses, was equal on June 13 to only 16 weeks' requirements at the then prevailing low rate of consumption, assuming that the industry will be able to obtain all cotton purchased. A Committee has been established for the purpose of expediting the allocation of shipping space to merchants for the importation of raw cotton.